



May 9, 2007

The real value of pocket money

Teaching your child basic money principles from an early age can dramatically improve their financial skills as adults, according to Members Equity Bank.

Sue Jamieson, Head of Strategy and Retail Marketing, said that the right mix of money lessons from family and school environments can put children on the right track to financial health later in life.

"Families shouldn't leave lessons about money for the classroom. Banking has become a regular activity in many schools, but unless children know what that money represents, it's hard for them to understand its real value," she said.

"Teaching children this value can be as simple as encouraging them to take on household jobs for a weekly payment – pocket money. It might be washing the nightly dishes, vacuuming a few bedrooms or setting the dinner table. The earnings can be as little or large as the family feels appropriate – it's the message is about what the child can achieve with the money that counts.

"Spending the pocket money can be just as important as saving it. Spending habits can be a reflection of different personality types so people will often have a different spending/savings ratio.

"Once the child knows the value of money, they'll then begin to understand the importance of a bank account. Many of today's children are very computer literate and are used to using the Internet as a research tool for homework and assignments. Banking online is therefore a natural fit for them.

"By using their school banking as a vehicle for depositing the money, an online savings account is a great way to watch the interest grow. There are also no fees attached to these accounts so it's a good place to park their money."

Members Equity Bank is owned by 40 Australian super funds and is committed to providing a fair deal to working Australian families.

ends

For further information contact:

Jessica Doyle
Media and Communications Officer
0413 304 601